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fair share of commerce and we mean to get it," the Roosevelt appointee declared.

He explained that the Maritime Commission's move to spend \$100,000,000 for new construction in its first two years was necessary "because we have to act in a hurry."

"In three years, 90 per cent of our fleet will be obsolete. Considering our planned program, which requires a minimum expenditure of \$400,000,000 (for building only) in the next five years, the amount asked for is not abnormal."

The first positive step taken for new construction was an order by the commission—on its own account exclusively—for twelve fast cargo vessels to cost from \$1,500,000 to \$1,750,000 each. Kennedy's commission said it was the largest individual peacetime order for merchant cargo construction ever placed in this country.

The commission decided to build the first fleet of new vessels entirely with Government money rather than to wait to iron out difficulties and delays encountered in its program to rehabilitate the aging merchant fleet by subsidized private construction.

The need for stimulation of lagging industry prompted the decision to proceed immediately with construction of ships which could be sold later to the industry.

FLEETS COMPARED

As of September 1, 1939, the privately owned American-flag merchant fleet consisted of 1,379 vessels, totaling 11,700,000 dead-weight tons.

On April 1, 1966, the active ocean-going United States merchant fleet consisted of 1,009 ships, of which 107 were Government-assigned to Vietnam, and 902 private ships. The total tonnage was 14,000,000.

The cost of a ship in 1937 was about \$1,750,000. The cost of building a ship today in the United States averages about \$15,000,000, of which the Government is subject to paying up to 55 per cent as the differential between building in the United States and building abroad.

The 1938 Act called for a substantial amount of this country's commerce to move on American-flag ships.

In 1965, only 7.9 per cent of the foreign tonnage was transported by bottoms flying the stars and stripes. But the Norwegians are moving 17 per cent of the United States' foreign commerce!

The Congress of 1938 specified that no ship over twenty years old would qualify for subsidy purposes because it would be uneconomical to operate.

Today 85 per cent of the American merchant marine is of World War II vintage, or more than 21 years old, which means the present merchant fleet already fits into the "bloo obsolescence" category which Joseph Kennedy endeavored so diligently to prevent 20 years ago.

In 1938, the gross national product was \$32,500,000,000; in 1939, \$30,500,000,000. Total imports-exports in 1938 totaled about 100,000,000 tons at a value of \$5,034,800,000.

The estimated gross national product for 1965 is estimated at \$695,000,000,000, while that estimated for 1966 is \$714,000,000,000, or nearly an 800 per cent increase. The 1965 foreign tonnage was 348,452,000, valued at \$32,202,000,000.

APPROPRIATION SMALLER

Yet the United States budget for fiscal 1967 would appropriate only \$35,000,000 for new ship construction—an amount smaller than that called for in 1937 when the United States was not involved in a war and when the United States was not almost solely responsible for the freedom of the seas for the Free World—when ship cost \$1,750,000, and when the gross national product was \$32,500,000,000.

Again Congress is being asked why it has failed to enforce the implementation of its own edict.

H.R. 1535—HAZARDOUS-DUTY PAY FOR CLASSIFIED EMPLOYEES

Mr. TOWER. Mr. President, the need for legislation to compensate the Classification Act employees for periods of work involving unusually hazardous conditions, which passed the Senate on June 24, was long overdue. Hazardous pay is presently extended to certain military, Public Health Service, and wage board personnel. But, Mr. President, the existing law does not authorize this premium for employees under the Classification Act who may work side by side with those who are now receiving the additional compensation. The proposed bill would seek to correct this inequitable situation by establishing schedules of pay differentials not to exceed a certain percentage of basic compensation, for Classification Act employees for any period in which they are subjected to physical hardship or hazard not usually associated with their jobs. This bill is especially meritorious due to the fact that it will prevent infringement through ambiguity since it contains provisions that limit compensation to those people and jobs whose physical hardship or hazard was not taken into account in classifying the employee's position.

I agree wholeheartedly with the sentiments of Mr. RANDOLPH and the members of his committee that premiums or extra compensations should be authorized in such cases as an engineer or technician in an experimental flight or the trial run of a newly built submarine. Certainly, too, work at extreme heights and under inclement climatic conditions should also be rewarded and thus are included with those who would be covered by the bill.

As a member of the Armed Services Committee, I have supported hazard pay for wage board employees in the Army and Air Force who currently are in conditions very similar to those prescribed in the proposed bill. The Department of the Navy authorizes differentials of 50 percent for flying in connection with testing aircraft. The Army-Air Force wage board has authorized hazard differentials at twice the basic hourly rate for work performed at a height of 100 feet and above.

Obviously, unusual physical hardship or hazards which are inherent in a position, which regularly recur, and which are performed for a substantial part of the working time are best compensated for through the regular position classification process. However, Mr. President, there does not now exist such a means for providing such compensation where regularly assigned duties performed under unusually hazardous conditions at such irregular or intermittent intervals that these conditions cannot be taken into consideration for position classification. It seems logical to me, then, that the Government should offer additional remuneration to the employees asked to make unusual risks not normally associated with his occupation, and for which added compensation is not provided.

H.R. 1535, as I see it, will fill this void and at the same time would avoid many of the problems normally associated with

hazard pay proposals by restricting coverage to the most deserving cases, and by limiting payments to periods of exposure not taken into consideration in the classification of the position. This bill would also preclude the possibility of double payment through both job classification and separate premium, thus forestalling problems often associated with moving employees from premium compensation positions to regular rate positions.

SENATOR MCGOVERN MAKES VIETNAM PROPOSAL

Mr. CHURCH. Mr. President, the July 7 issue of the New York Review of Books which is currently on the newsstands contain an excellent article on the subject of Vietnam written by the distinguished junior Senator from South Dakota [Mr. MCGOVERN].

Senator MCGOVERN has set forth a sound five-point program to achieve a peaceful settlement of the tragic conflict in Vietnam. Believing that his article will be of interest to my colleagues, I ask unanimous consent that it be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

VIETNAM: A PROPOSAL

(By Senator GEORGE MCGOVERN)

Recent developments in Vietnam have drawn public attention away from the battlefield and focussed it on two questions that are not so much military as political and moral:

- (1) What are we fighting for in Vietnam?
- (2) Can we achieve our objective by a continuing build-up of American forces when our South Vietnamese ally is torn by internal political strife combined with a growing war weariness, if not a growing resentment against the United States? What kind of society are we fighting to preserve, and what sort of an end to our own military commitment are we prepared to accept?

Ordinary warfare has its own military logic geared to a military objective—destruction of the enemy's capacity to fight. This is not the case in Vietnam. The Vietcong has no hope of destroying our capacity to fight, and short of turning North and South Vietnam into a wasteland, we have no chance of destroying their capacity to fight. It is as though an elephant and a hornet were engaged in combat.

In Vietnam, both sides are trying to destroy the opponent's will. This fact tends to result in a vicious circle: Neither side can be physically defeated, but to withdraw from the conflict appears to be a loss of face. We and the Vietcong, as well as Hanoi, have shown every symptom of this phenomenon in the last year. Escalation, for both sides, has a momentum of its own. The only hope of escape from this vicious circle is the recognition by one side or the other of a change in the circumstances which first drew them into the conflict. I believe that recent events have highlighted a change of this sort for us in South Vietnam.

There are many answers given to the question: "Why are we fighting in Vietnam?" One answer is "to preserve democracy." This answer is paradoxical for two reasons: First, there never has been real democracy in South Vietnam; and second, it is impossible to have a democratic society while the fighting escalates. It might be more reasonable to say: "We are fighting to give democracy a chance." How true is this? The